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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Updated financial position of closed peacekeeping missions as at 30 June 2018

Report of the Secretary-General

Summary

The present report provides information on the financial position of 29 closed peacekeeping missions as at 30 June 2018. Of those missions, five had net cash deficits in the total amount of $85.6 million (compared with $86.0 million as at 30 June 2017) as a result of outstanding payments of assessed contributions from Member States. The remaining 24 closed peacekeeping missions had net cash surpluses available for credit to Member States totalling $93.1 million (compared with $85.3 million as at 30 June 2017).

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Abbreviations

MINUGUA	United Nations Verification Mission in Guatemala
MINUJUSTH	United Nations Mission for Justice Support in Haiti
MINURCA	United Nations Mission in the Central African Republic
MINURCAT	United Nations Mission in the Central African Republic and Chad
MINURSO	United Nations Mission for the Referendum in Western Sahara
MIPONUH	United Nations Civilian Police Mission in Haiti
MONUA	United Nations Observer Mission in Angola
MONUSCO	United Nations Organization Stabilization Mission in the Democratic Republic of the Congo
ONUB	United Nations Operation in Burundi
ONUCA	United Nations Observer Group in Central America
ONUMOZ	United Nations Operation in Mozambique
ONUSAL	United Nations Observer Mission in El Salvador
UNAMID	African Union-United Nations Hybrid Operation in Darfur
UNAMIR	United Nations Assistance Mission for Rwanda
UNAMSIL	United Nations Mission in Sierra Leone
UNAVEM	United Nations Angola Verification Mission
UNDOF	United Nations Disengagement Observer Force
UNIIMOG	United Nations Iran-Iraq Military Observer Group
UNIKOM	United Nations Iraq-Kuwait Observation Mission
UNISFA	United Nations Interim Security Force for Abyei
UNMEE	United Nations Mission in Ethiopia and Eritrea
UNMIBH	United Nations Mission in Bosnia and Herzegovina
UNMIH	United Nations Mission in Haiti
UNMIK	United Nations Interim Administration Mission in Kosovo
UNMIS	United Nations Mission in the Sudan
UNMISET	United Nations Mission of Support in East Timor
UNMISS	United Nations Mission in South Sudan
UNMIT	United Nations Integrated Mission in Timor-Leste
UNMLT	United Nations Military Liaison Team in Cambodia
UNMOT	United Nations Mission of Observers in Tajikistan
UNOMIG	United Nations Observer Mission in Georgia

UNOMIL	United Nations Observer Mission in Liberia
UNOMSIL	United Nations Observer Mission in Sierra Leone
UNOMUR	United Nations Observer Mission Uganda-Rwanda
UNOSOM	United Nations Operation in Somalia
UNPF	United Nations Peace Forces
UNPREDEP	United Nations Preventive Deployment Force
UNSMIH	United Nations Support Mission in Haiti
UNSMIS	United Nations Supervision Mission in the Syrian Arab Republic
UNSOS	United Nations Support Office in Somalia
UNTAC	United Nations Transitional Authority in Cambodia
UNTAES	United Nations Transitional Administration for Eastern Slavonia, Baranja and Western Sirmium
UNTAET	United Nations Transitional Administration in East Timor
UNTAG	United Nations Transition Assistance Group
UNTMIH	United Nations Transition Mission in Haiti

I. Introduction

1. The present report is submitted pursuant to resolution 57/323, wherein the General Assembly requested the Secretary-General to provide an updated report and make proposals on how to address the issue of outstanding dues owed to Member States from closed peacekeeping missions that are in net cash deficit. The report provides updated information on the financial position of closed peacekeeping missions since the previous report of the Secretary-General (A/72/649), which the Assembly deferred for consideration until its seventy-third session (decision 72/547 C).

2. The present report provides updated information on the financial position, as at 30 June 2018, of the following closed peacekeeping missions for which final performance reports have been issued: MINUGUA, MINURCA, ONUB, ONUCA and ONUSAL, ONUMOZ, UNAMSIL and UNOMSIL, UNAVEM and MONUA, UNIIMOG, UNIKOM, UNMEE, UNMIBH, UNMIH, UNMLT, UNMOT, UNOMIG, UNOMIL, UNOMUR and UNAMIR, UNOSOM, UNPF, UNPREDEP, UNSMIH, UNTMIH and MIPONUH, UNTAC, UNTAES and Civilian Police Support Group, UNTAET and UNMISET, UNTAG, UNMIS, UNMIT, MINURCAT and UNSMIS. Information on each closed peacekeeping mission is provided in annex I to the present report.

Background

3. The General Assembly has deferred consideration of the closed peacekeeping missions since its sixty-sixth session, in 2012, when the Secretary-General presented his report on the updated financial position of closed peacekeeping missions as at 30 June 2011 (A/66/665). The Secretary-General continues to provide updated financial information on an annual basis (see A/67/739, A/68/666, A/69/659, A/70/552, A/71/652 and A/72/649). The present report is the eighth such update.

4. As at 30 June 2002, there were 10 closed peacekeeping missions. On 30 June 2018, that number had almost trebled to 29 closed peacekeeping missions. The outstanding payment of assessments totalled $390.8 million gross ($350.7 million net of $38.9 million in credits and $1.2 million in overpayments).

II. Consolidated financial information

5. As at 30 June 2018, 24 of the 29 peacekeeping missions covered in the present report had net cash surpluses available for credit to Member States totalling $93,122,000, as set out in table 1.

Table 1

Consolidated net cash position of MINURCAT, ONUB, ONUCA/ONUSAL, ONUMOZ, UNAMSIL/UNOMSIL, UNAVEM/MONUA, UNIIMOG, UNIKOM, UNMEE, UNMIBH, UNMIH, UNMIS, UNMIT, UNMLT, UNMOT, UNOMIG, UNOMIL, UNOMUR/UNAMIR, UNPF, UNPREDEP, UNSMIS, UNTAES/ Civilian Police Support Group, UNTAET/UNMISET and UNTAG as at 30 June 2018

(Thousands of United States dollars)

Category	*Amount*
Cash assets	151 947
Less: liabilities	(58 825)
Net cash available for credit to Member States as at 30 June 2018	**93 122**

6. The total net cash available in the 24 closed peacekeeping missions at the end of June 2017 was $85,347,000. By the end of June 2018, there were 24 closed peacekeeping missions with total net cash balances available of $93,122,000. As at the same date, outstanding payments of assessments for those 24 closed missions amounted to $238,415,000. A total of $18,430,000 in claims was owed to troop-contributing countries, along with $38,708,000 in credits and $1,192,000 of overpayments by Member States. In addition, other liabilities amounted to $495,000. A breakdown by each closed peacekeeping mission is provided in annex I to the present report. The change in the total net cash available for credit to Member States from 30 June 2017 to 30 June 2018 is analysed in table 2.

Table 2
Change in net cash available for credit to Member States from 30 June 2017 to 30 June 2018

(Thousands of United States dollars)

Net cash available as at 30 June 2017	**85 347**
Reimbursement of loans from active peacekeeping missions	27 000
Loans to active missions	(30 000)
Investment and other revenue	2 286
Contributions received from Member States	8 676
Reimbursement: MINURCAT and UNMIT	301
Settlement of claims and charges: staff benefits and other charges	(488)
Net cash available as at 30 June 2018	**93 122**

7. As at 30 June 2017, an amount of $32,100,000 was owed by two active missions, comprising $10,800,000 owed by MINURSO and $21,300,000 owed by UNMIK. As at 30 June 2018, the amount owed by those missions had increased to $35,100,000, comprising $11,000,000 owed by MINURSO and $24,100,000 owed by UNMIK.

8. As at 31 October 2018, the amount owed by those missions had decreased to $34,700,000, comprising $11,000,000 owed by MINURSO and $23,700,000 owed by UNMIK.

9. Annexes II and III to the present report depict the levels of cross-borrowing and provide an analysis of monthly borrowings and settlements between active and closed peacekeeping missions, respectively, since July 2013. Given that the new assessments are issued in July, the peak levels are usually in July and August. Generally, there was a reduction in cross-borrowing between November and January during the periods from 2013/14 to 2017/18, except during the 2015/16 period. In the 2015/16 period, the scale of assessments expired in December 2015 and UNMIK, which had the largest loan, was assessed six months, until 31 December 2015, instead of the 12-month period until the end of the fiscal period in June 2016, which reduced the amount of contributions received in the first six months of the 2015/16 period and prevented the repayment of the loan. A similar trend may be experienced in the 2018/19 period, taking into account the expiration of the approved scale of assessments on 31 December 2018.

10. In addition to borrowing by active missions, as at 30 June 2018, there were outstanding loans from closed peacekeeping missions to other closed missions, which had cash deficits owing to outstanding payments of assessments and therefore could not repay the loans. The loans were for UNSMIH/UNTMIH/MIPONUH ($7,366,000), MINURCA ($3,517,000) and MINUGUA ($124,000).

11. The cash balance increased by $301,000, stemming from an amount of $282,000 recorded in MINURCAT related to the reimbursement of freight charges and $19,000

recorded in UNMIT related to the reimbursement of an unutilized balance from project implementation by the United Nations Development Programme.

12. The cash balance decreased by $488,000 as a result of the settlement of staff benefits and other charges during the reporting period.

13. During the financial year, Member States settled outstanding assessments of $9,081,000, principally with respect to UNPF ($8,450,000), UNTAC ($205,000) and UNOSOM ($200,000), as well as other amounts under $100,000 for UNMIS, MINURCAT, UNAMSIL/UNOMSIL, UNMIT, UNMEE, UNTAET/UNMISET and UNSMIS.

14. Investment and other revenues of $2,286,000 were earned principally by UNPF ($798,000), UNMIH ($341,000) and UNAVEM/MONUA ($223,000); amounts under $200,000 were earned by UNOMUR/UNAMIR, ONUMOZ, MINURCAT and UNMIS, which had the largest holdings of cash and cash-equivalent assets during the financial year.

15. The total net cash balance of $93,122,000 as at 30 June 2018 is analysed for each of the 24 closed peacekeeping missions in table 3.

Table 3
Closed peacekeeping missions with net cash balances as at 30 June 2018

(Thousands of United States dollars)

Mission	Amount
MINURCAT	2 172
ONUB	1 434
ONUCA/ONUSAL	402
ONUMOZ	7 959
UNAMSIL/UNOMSIL	1 549
UNAVEM/MONUA	10 602
UNIIMOG	177
UNIKOM	588
UNMEE	2 114
UNMIBH	887
UNMIH	11 630
UNMIS	5 955
UNMIT	1 198
UNMLT	1
UNMOT	117
UNOMIG	485
UNOMIL	181
UNOMUR/UNAMIR	11 221
UNPF	28 822
UNPREDEP	1 890
UNSMIS	135
UNTAES	685
UNTAET/UNMISET	2 562
UNTAG	356
Total	**93 122**

16. As at 30 June 2018, 5 of the 29 peacekeeping missions covered in the present report had net cash deficits totalling $85,610,000, as shown in table 4. The deficit arose from outstanding payments of assessments in the total amount of $152,416,000.

Table 4
Consolidated net cash position of the MINUGUA Military Observer Group, MINURCA, UNOSOM, UNSMIH/UNTMIH/MIPONUH and UNTAC as at 30 June 2018

(Thousands of United States dollars)

Category	Amount
Cash assets	1 320
Less: liabilities	(86 930)
Net cash deficit as at 30 June 2018	**(85 610)**

17. The liabilities of the closed missions in cash deficit shown in table 4 above included loans of $23,828,000, comprising (a) $11,008,000 owed by UNSMIH/UNTMIH/MIPONUH, MINURCA and MINUGUA to closed peacekeeping missions (see para. 16 above); and (b) $12,820,000 owed by MINURCA to the Peacekeeping Reserve Fund since February 2000 as a result of insufficient cash resources in the Mission. Liabilities also included claims owed to troop-contributing countries in the amount of $62,922,000 (see annex IV) and other payables in the amount of $174,000 comprising credits owed to the former Yugoslavia.

18. The change in the net cash position for the five closed peacekeeping missions in cash deficit from 30 June 2017 to 30 June 2018 is presented in table 5.

Table 5
Change in the net cash position of closed missions in deficit from 30 June 2017 to 30 June 2018

(Thousands of United States dollars)

Net cash deficit as at 30 June 2017	**(86 041)**
Contributions received from Member States	405
Investment and other revenue	26
Net cash deficit as at 30 June 2018	**(85 610)**

19. The net cash deficit in the amount of $85,610,000 as at 30 June 2018 is analysed for each of the five closed peacekeeping missions in table 6.

Table 6
Closed peacekeeping missions with cash deficits as at 30 June 2018

(Thousands of United States dollars)

Mission	Amount
MINUGUA Military Observer Group	(123)
MINURCA	(23 810)
UNOSOM	(14 967)
UNSMIH/UNTMIH/MIPONUH	(7 264)
UNTAC	(39 446)
Total	**(85 610)**

III. Cash requirements of the Organization and outstanding dues owed to Member States from closed peacekeeping missions that are in net cash deficit

20. Previous reports of the Secretary-General on the updated financial situation of closed peacekeeping operations have presented information on the historical unpredictability and gaps in the receipt of assessed contributions and their impact on liquidity in peacekeeping missions. In accordance with the decisions of the General Assembly, assessments for each peacekeeping operation are issued according to the duration of the respective mandate. Consequently, the timing of the issuance of assessments and the related incoming contributions for each operation depend upon the timing and duration of the mandate extension by the Security Council.

21. Cash surpluses of closed missions continue to be used to alleviate the operational cash shortages for active peacekeeping operations. Cross-borrowing from closed missions totalled $41 million as at 30 June 2013, $31 million as at 30 June 2014, $23.5 million as at 30 June 2015, $40 million as at 30 June 2016, $32.1 million as at 30 June 2017 and $35.1 million as at 30 June 2018. At various times during the period from 1 July 2017 to 30 June 2018, cross-borrowings were carried out to meet the operational needs for two active peacekeeping missions, namely, MINURSO and UNMIK. As at 30 June 2018, unpaid liabilities to troop-contributing countries for the period until April 2018 owing to insufficient cash amounted to $189 million in eight active peacekeeping operations, namely, MINUJUSTH, MINURSO, MONUSCO, UNAMID, UNDOF, UNISFA, UNMISS and UNSOS. Borrowings, settlements and peak levels of cross-borrowing from July 2013 to 31 October 2018 are shown in annexes II and III to the present report.

22. The trend of cross-borrowing from closed missions for active peacekeeping missions in the past five financial periods continues, with some active missions, particularly MINURSO and UNMIK, still facing cash shortages owing to outstanding assessments that require temporary borrowings from closed peacekeeping missions. As shown in figures I and II, there is a strong relationship between unpaid assessments (blue line) and the level of cross-borrowing (green line). The delay in the payment of assessments and the consequent shortage of cash receipts explains why the two missions have to keep borrowing from closed missions.

23. In September 2018, as shown in annexes II and III, cash in the amount of $151.7 million in closed missions was loaned to the programme budget. The cross-borrowing had not been settled by the time of the issuance of the present report.

Figure I
MINURSO: unpaid assessments and cross-borrowings (July 2013 to October 2018)

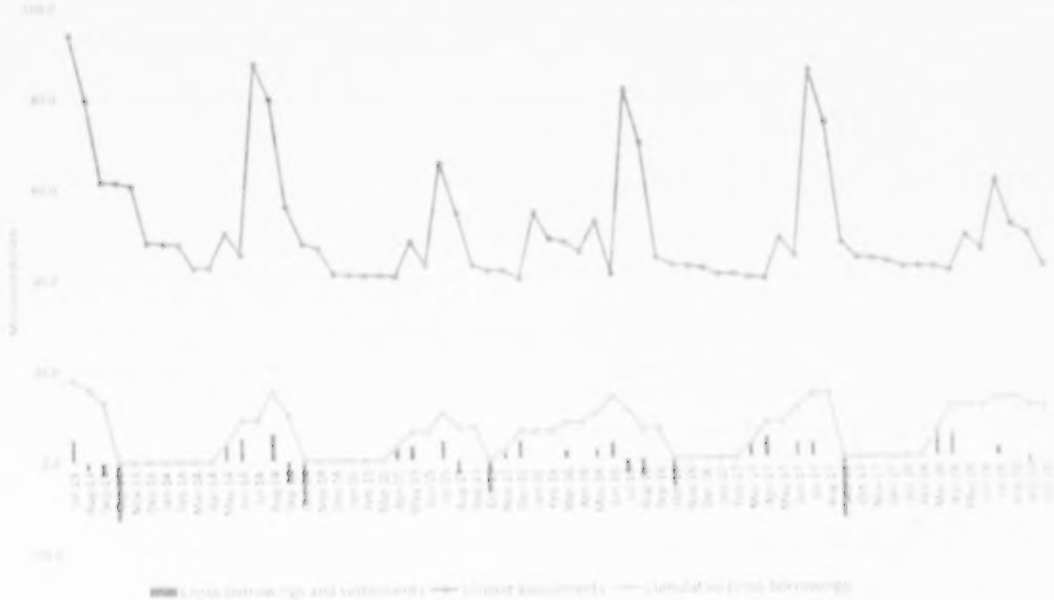
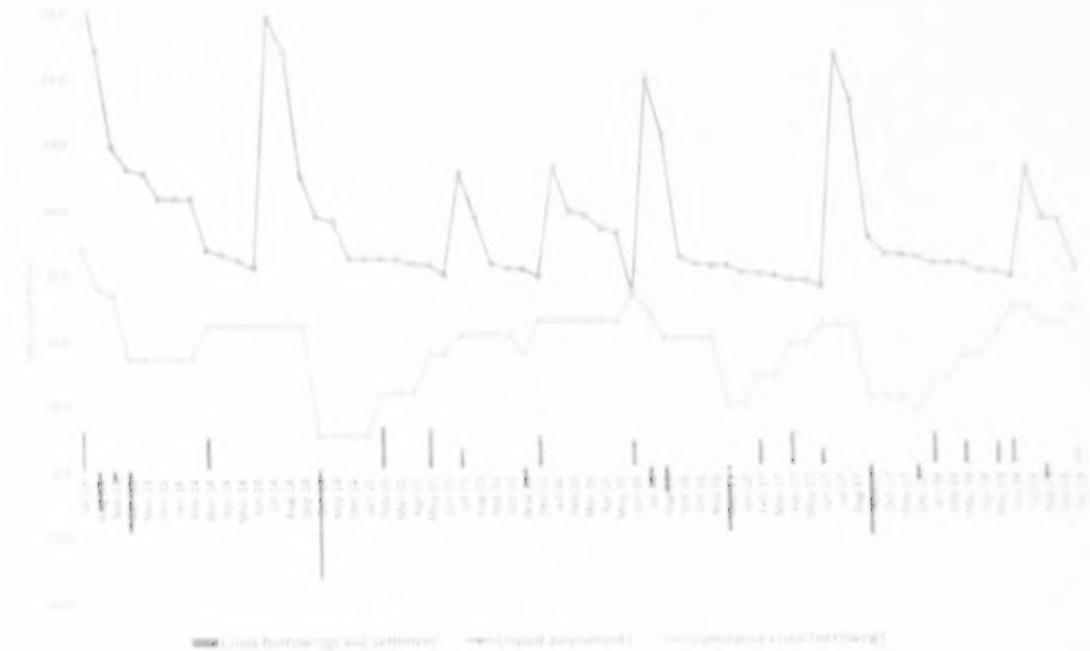


Figure II
UNMIK: unpaid assessments and cross-borrowings (July 2013 to October 2018)



24. As noted above, the General Assembly has deferred consideration of the reports of the Secretary-General on the updated financial position of closed peacekeeping missions since its sixty-sixth session. In five of his reports on the matter (A/66/665, A/67/739, A/68/666, A/69/659 and A/70/552), the Secretary-General proposed a number of options to address the issues surrounding cash deficits of both closed and active peacekeeping missions, which are still under consideration:

- Proposals to resolve the issue of outstanding debts in closed missions with cash deficits (A/66/665, A/67/739 and A/68/666)
- Proposal for temporary cross-borrowing from active missions (A/67/739, A/68/666, A/69/659 and A/70/552)
- Proposal to establish a working capital fund (A/68/666, A/69/659 and A/70/552).

IV. Actions to be taken by the General Assembly

25. **The General Assembly is requested:**

(a) **To take note of the present report;**

(b) **To consider the proposals of the Secretary-General to address the cash requirements of active peacekeeping operations;**

(c) **To allow the retention of the net cash balance of $93,122,000 available in 24 closed peacekeeping missions if no new mechanism is approved to address the cash requirements of active peacekeeping operations.**

Annex I

Unpaid assessments, accounts payable to Member States and other liabilities of closed peacekeeping missions as at 30 June 2018

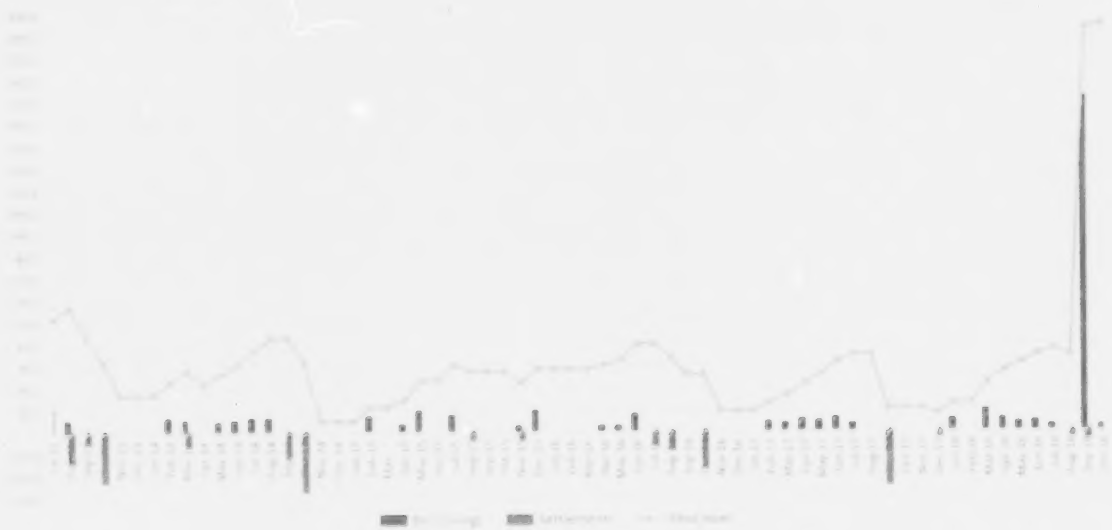
(Thousands of United States dollars)

		Accounts payable to Member States			
Mission	*Unpaid assessments*	*Amounts owed to troop- and police-contributing countries*	*Credits returnable to Member States*	*Overpayment*	*Other liabilities*
Surplus missions					
MINURCAT	173		(4 999)	(5)	
ONUB	36	(46)	(318)	(593)	
ONUCA/ONUSAL	78		(3)	–	
ONUMOZ	8 979		(310)		
UNAMSIL/UNOMSIL	126	(5)	(73)	(3)	
UNAVEM/MONUA	34 864		(5 230)	–	
UNIIMOG	4		(69)		
UNIKOM	68		(272)	(9)	
UNMEE	10	(39)	(45)	(26)	
UNMIBH	33 835		(4 420)	–	
UNMIH	9	(12 454)	(207)	–	
UNMIS	859		(154)	(59)	(495)
UNMIT	126		(1 472)	(1)	
UNMLT	–		(3)	–	
UNMOT	0	(1)	(3)	–	
UNOMIG	3 795		(153)	(448)	
UNOMIL	2		(28)	–	
UNOMUR/UNAMIR	922		(219)	–	
UNPF	119 132	(3 299)	(13 778)		
UNPREDEP	2	(2 588)	(13)	–	
UNSMIS	6		(243)	(57)	
UNTAES/Civilian Police Support Group	8 713		(4 724)	–	
UNTAET/UNMISET	26 671		(1 848)	–	
UNTAG	5		(124)	–	
Subtotal	**238 415**	**(18 430)**	**(38 708)**	**(1 192)**	**(495)**
Deficit missions					
MINUGUA	144				(124)
MINURCA	35 538	(7 480)			(16 337)
UNOSOM	57 352	(15 490)	(70)		
UNSMIH/UNTMIH/MIPONUH	19 386	(114)			(7 366)
UNTAC	39 996	(39 839)	(104)		
Subtotal	**152 416**	**(62 923)**	**(174)**	**–**	**(23 827)**
Total	**390 831**	**(81 353)**	**(38 882)**	**(1 192)**	**(24 322)**

Annex II

Borrowings from closed peacekeeping missions, 1 July 2013 to 31 October 2018

(Millions of United States dollars)



Annex III

Borrowings, settlements and peak levels of cross-borrowing from closed missions, 1 July 2013 to 31 October 2018

(Millions of United States dollars)

1 July 2013 to 30 June 2014

Month	Borrowings	Settlements	Balance	Peak level
July	11.0	–	52.0	52.0
August	5.0	(13.0)	44.0	57.0
September	–	(4.5)	39.5	44.0
October	–	(22.5)	17.0	32.0
November	–	–	17.0	17.0
December	–	–	17.0	17.0
January	–	–	17.0	17.0
February	6.0	–	23.0	23.0
March	5.0	(6.0)	22.0	28.0
April	–	–	22.0	22.0
May	4.0	–	26.0	26.0
June	5.0	–	31.0	31.0

1 July 2014 to 30 June 2015

Month	Borrowings	Settlements	Balance	Peak level
July	6.0	–	37.0	37.0
August	6.0	–	43.0	43.0
September	–	(11.0)	32.0	43.0
October	–	(27.0)	5.0	32.0
November	–	–	5.0	5.0
December	–	–	5.0	5.0
January	–	–	5.0	5.0
February	6.5	–	11.5	11.5
March	–	–	11.5	11.5
April	3.0	–	14.5	14.5
May	9.0	–	23.5	23.5
June	–	–	23.5	23.5

1 July 2015 to 30 June 2016

Month	Borrowings	Settlements	Balance	Peak level
July	–	(6.0)	34.0	40.0
August	–	(8.0)	26.0	34.0
September	–	–	26.0	34.0
October	–	(16.5)	9.5	26.0
November	–	–	9.5	9.5
December	–	–	9.5	9.5
January	–	–	9.5	9.5
February	4.0	–	13.5	13.5
March	3.2	–	16.7	16.7
April	5.2	–	21.9	21.9
May	4.4	–	26.3	26.3
June	5.8	–	32.1	32.1

1 July 2016 to 30 June 2017

Month	Borrowings	Settlements	Balance	Peak level
July	3.0	–	35.1	35.1
August	–	–	35.1	35.1
September	–	(24.5)	10.6	10.6
October	–	–	10.6	10.6
November	–	–	10.6	10.6
December	–	(2.5)	8.1	8.1
January	5.0	–	13.1	13.1
February	–	–	13.1	13.1
March	9.4	–	22.5	22.5
April	5.1	–	27.6	27.6
May	3.5	–	31.1	31.1
June	4.0	–	35.1	35.1

1 July 2015 to 30 June 2016				
Month	*Borrowings*	*Settlements*	*Balance*	*Peak level*
July	7.0	–	30.5	30.5
August	–	(3.0)	27.5	30.5
September	–	–	27.5	27.5
October	–	(7.0)	20.5	27.5
November	2.0	(3.0)	19.5	22.5
December	9.0	–	28.5	28.5
January	–	–	28.5	28.5
February	–	–	28.5	28.5
March	–	–	28.5	28.5
April	2.0	–	30.5	30.5
May	2.0	–	32.5	32.5
June	7.5	–	40.0	40.0

1 July 2018 to 31 October 2018				
Month	*Borrowings*	*Settlements*	*Balance*	*Peak level*
July	2.0	–	37.1	37.1
August	–	(2.5)	34.6	34.6
September	151.7[a]	(3.0)	183.3	183.3
October	2.1			185.4

[a] The amount of $151.7 million was loaned to the programme budget.

Annex IV

Outstanding claims owed to troop-contributing countries in closed missions with cash deficits as at 30 June 2018

(Thousands of United States dollars)

	Contingent-owned equipment	*Letters of assist*	*Total*
MINURCA	(7 477)	(3)	(7 480)
UNOSOM	(12 425)	(3 065)	(15 490)
UNSMIH/UNTMIH/MIPONUH	–	(114)	(114)
UNTAC[a]	(20 675)	(19 164)	(39 839)
Total	**(40 577)**	**(22 346)**	**(62 923)**

[a] The change in the amount of $17,000 for UNTAC from the prior year is the result of a revaluation of claims in Canadian dollars as at 30 June 2018.